

VZCZCXRO3304  
OO RUEHBC RUEHDE RUEHKUK RUEHMOS  
DE RUEHKU #0601/01 0520939  
ZNY CCCCC ZZH  
O 210939Z FEB 06  
FM AMEMBASSY KUWAIT  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3120  
INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KUWAIT 000601

SIPDIS

SIPDIS

FOR NEA/ARPI

E.O. 12958: DECL: 02/20/2016

TAGS: [PGOV](#) [KU](#)

SUBJECT: NEW PRIME MINISTER PROMISES ECONOMIC AND POLITICAL

REFORMS; SAYS THERE WILL BE CHANGES WITHIN SIX MONTHS

REF: A. KUWAIT 585  
[1](#)B. KUWAIT 578  
[1](#)C. KUWAIT 475  
[1](#)D. STATE 23896  
[1](#)E. KUWAIT 453  
[1](#)F. 05 KUWAIT 1712

Classified By: Ambassador Richard LeBaron for reasons 1.4(b) and (d).

[1](#)1. (C) Summary and comment: During his first meeting with the Ambassador as Kuwait's new Prime Minister, Shaykh Nasser Mohammed Al-Sabah said Kuwait would look different in six months and that he had instructed his Cabinet to streamline the bureaucracy so that the GOK could proceed with important economic and political reforms. He outlined as GOK priorities security; economic developments including approval of the northern oilfields development project; press freedom; social affairs issues such as passage of a new labor law; and engaging Kuwaiti youth. He asserted Kuwaiti support for Iraqi reconstruction and agreed on the need for a common GCC strategy for dealing with Iran. He also showed interest in making progress on an FTA. The Ambassador noted the strength of bilateral relations, commended the PM's priorities for the new Government, and suggested the GOK also put first strengthening CT cooperation as well as improving the working conditions for Kuwait's large expatriate workforce. PM Shaykh Nasser, who was functioning on only three hours of sleep was energetic and deeply interested in the details of any issue where the Ambassador suggested more focused GOK attention. He explained that he consulted regularly with the Amir, but had the authority, and was very committed to affecting change. His staff remarked, "His Highness likes to have heads rolling," and it appears that the PM was already taking notes on the effectiveness of his new Cabinet. It remains unclear how much influence he has with Parliament. End summary and comment.

Iraq Needs Continued Kuwaiti Support  
-----

[1](#)2. (C) During his courtesy call on recently sworn in Prime Minister Shaykh Nasser Mohammed Al-Ahmed Al-Sabah, the Ambassador reaffirmed the strength of U.S.-Kuwaiti bilateral relations, noting particularly strong cooperation on military and security issues. He expressed confidence that relations would further strengthen under the leadership of PM Shaykh Nasser and said that continued GOK support for U.S. military efforts in Iraq and Iraqi economic development would be critical. The Ambassador told the PM that the U.S. and Kuwait have a shared interest in stabilizing Iraq and encouraged the GOK to play an active role in Iraq's economic development. PM Shaykh Nasser reasserted GOK support for Iraqi reconstruction and was interested in the status of the formation of new government.

Iran: "Have Patience and Talk"

-----

13. (C) Turning to another regional concern, the Ambassador solicited the PM's views on Iran, stressing the importance of a unified front in response to the Iranian nuclear threat. He encouraged a common GCC position and said the U.S. was exhausting all options before referring the matter to the UN Security Council. The PM said the GOK looked forward to the upcoming meetings in Abu Dhabi of GCC Foreign Ministers with the Secretary. He agreed on the need for a GCC position and also recommended that the U.S. "have patience and talk." In his view, the GOI could not risk an international confrontation and would soon retreat; it was not in the Iranian national interest to "have the whole world against it." He described current Iranian arrogance and aggression as typical, saying they push the envelope as far as possible, and then retreat. He observed that it had almost been 30 years since the Iranian revolution and that the old generation was almost gone. While calling the current leadership very smart, he voiced concern that the "new generation in power has been completely brainwashed."

GOK to Push Parliament on Economic and Political Reforms

-----

14. (C) On domestic issues, PM Shaykh Nasser said his Government would continue the policies begun under Shaykh Sabah with a special focus on security, the economy, social affairs, press freedom, and the youth. He said he instructed the Cabinet to eliminate all obstacles, citing as an example a Chamber of Commerce request to streamline business licensing processes. He commented that several MPs offered their help and he was optimistic that the coming six months would bring significant change. He said the GOK would

KUWAIT 00000601 002 OF 002

support any parliamentary initiative on electoral redistricting and was simply waiting for Parliament to decide how many districts it preferred. He also said the GOK was prepared to "push" the northern oilfields project and was ready to take part in a special parliamentary session to review the details with MPs.

15. (C) The Ambassador commended the new Government's priorities and suggested the GOK also look at the taxation of foreign firms, explaining that several U.S. companies were disadvantaged under current application of tax laws (ref F). He added that eliminating the exploitation of foreign labors was a U.S. foreign policy objective and welcomed the PM's assurances that the new labor law would be adopted and implemented. He further encouraged measures to strengthen CT cooperation, recommending a better flow of information between governments and the adoption of policies and laws to facilitate surveillance, deterrence measures, and pre-trial detention. Another U.S. priority, the Ambassador added, was increasing the number of Kuwaiti students studying in the U.S. and he encouraged Kuwait to follow the Saudi example of promoting such study and making more scholarships available. Shaykh Nasser inquired about Kuwaiti nationals still detained at Guantanamo and the procedures for their repatriation.

Why Not an FTA for Kuwait?

-----

16. (C) The PM asked why the U.S. had successfully negotiated Free Trade Agreements (FTA) with other Gulf and Middle East countries, but had not made progress with Kuwait. He noted that he signed the 1966 GATT for Kuwait in Geneva and was curious why Kuwait now lagged behind its neighboring countries. The Ambassador asserted the President's desire to have FTAs with all Middle East countries, reviewed the process, and said that economic reform measures, including labor reform, stricter IPR protection laws and observance, and improvements in the inspection of imported goods, were FTA prerequisites which Kuwait had not yet met. Referring to

the early February visit to Washington of a TIFA delegation (ref D), he said that countries that had successfully concluded FTAs had designated and empowered a senior coordinator for FTA issues and suggested the GOK consider such a step.

17. (C) Amongst the PM staff in the meeting was Shaykh Muhammad Abdullah Al-Sabah, the young head of the Citizens Complaint and Follow-up Bureau. On a few points raised during the discussion, the Prime Minister specifically asked Shaykh Muhammad to take note of an action item and provide follow-up. Shaykh Muhammad spoke up on several issues, urging the Ambassador to explain to the Prime Minister in more detail where Kuwait was lagging in progress towards an FTA or in security cooperation. It will be interesting to see whether his position within the Prime Minister's Diwan includes authority to act on policy issues of interest to the USG.

\*\*\*\*\* \*  
For more reporting from Embassy Kuwait, visit:  
<http://www.state.sgov.gov/p/nea/kuwait/?cable s>

Visit Kuwait's Classified Website:  
<http://www.state.sgov.gov/p/nea/kuwait/>  
\*\*\*\*\* \*  
LEBARON